

FY 2009-10 BUDGET
SUMMARY OF REVENUES AND EXPENDITURES

Section Title: **POWER RESOURCES**

Section/Index No: **687400**

Sub-Object No. and Title	Adopted 2008-09	Requested 2009-10	Difference	Percent Change
REVENUES:				
<u>USE OF MONEY</u>				
1700 Interest on Pooled Cash	\$0	\$8,225	\$8,225	N/A
Subtotal Use of Money	\$0	\$8,225	\$8,225	N/A
<u>MISCELLANEOUS REVENUE</u>				
4039 Sale-Power	\$7,097,996	\$7,096,015	(\$1,981)	(0.03%)
Subtotal Miscellaneous Revenue	\$7,097,996	\$7,096,015	(\$1,981)	(0.03%)
<u>ADMINISTRATIVE CONTROL ACCOUNT</u>				
4210 Advances	\$1,668,466	\$1,000,000	(\$668,466)	(40.06%)
4219 Advances - Clearing	(1,668,466)	(1,000,000)	668,466	(0)
Subtotal Admin. Control Account	\$0	\$0	\$0	N/A
TOTAL REVENUES	\$7,097,996	\$7,104,240	(\$1,981)	(0.03%)

EXPENDITURES:

SERVICES AND SUPPLIES

6102 Equipment Insurance	\$10,000	\$10,000	\$0	0.00%
6140 Maintenance - Equipment	50,000	50,000	0	0.00%
6523 District Operations	75,000	75,000	0	0.00%
6570 Consultant Services	0	125,000	125,000	N/A
6610 Legal Services	0	110,000	110,000	N/A
6840 Rents/Leases-Buildings/Imp	240,000	62,000	(178,000)	(74.17%)
7206 Equipment Usage Charge	20,000	12,000	(8,000)	(40.00%)
7394 Power	5,300,000	5,700,000	400,000	7.55%
Subtotal Services and Supplies	\$5,695,000	\$6,144,000	\$449,000	7.88%

OTHER CHARGES

7920 Interest	\$312,349	\$156,750	(\$155,599)	(49.82%)
7930 Interest-L.T. Debt	167,651	250,174	82,523	49.22%
7980 Depreciation	409,206	409,100	(106)	(0.03%)
8010 Contribution Non-Co Government	140,000	0	(140,000)	(100.00%)
Subtotal Other Charges	\$1,029,206	\$816,024	(\$213,182)	(20.71%)

FIXED ASSETS

8510 Buildings/Improvements	\$0	\$94,000	94,000	N/A
Subtotal Fixed Assets	\$0	\$94,000	\$94,000	N/A

SUMMARY OF REVENUES AND EXPENDITURES

Index No.: 687400

Sub-Object No. and Title	Adopted 2008-09	Requested 2009-10	Difference	Percent Change
ADMIN CONTROL				
9200 ENT - Principal	\$256,000	\$264,295	\$8,295	3.24%
9209 ENT - Principal Clearing	(256,000)	(264,295)	(8,295)	3.24%
9210 Advances	1,529,466	550,880	(978,586)	(63.98%)
9219 Advances - Clearing	(1,529,466)	(550,880)	978,586	(63.98%)
Subtotal Admin Control	\$0	\$0	\$0	N/A
TOTAL EXPENDITURES	\$6,724,206	\$7,054,024	\$329,818	4.90%
TOTAL NET COST	(\$373,790)	(\$50,216)	\$323,574	(86.57%)
<i>(Expenditures Minus Revenues)</i>				

FY 2009-10 BUDGET
CHARACTER JUSTIFICATION

Department - Division: Sonoma County Water Agency - Internal Service Fund

Section Title: Power Resources

Character: Use of Money and Property

Character No.: 687400-17

1700 Interest on Pooled Cash

This account records interest on pooled cash held for the Agency by the County Treasurer's office. Estimated interest is projected based on cash on hand and current interest rate trends.

Estimated Average Cash Balance	\$470,000
Projected Interest Rate	1.75%
Projected/Planned Interest on Pooled Cash	\$8,225

4039-Sale-Power

This item records the revenue received from the sale of power to other entities.

4210 Advances

This item reflects an as needed advance from the SCWA General Fund to acquire electrical power assets and meet debt service payments. This began in FY 07-08 and will continue for 8 years.

4219 Advances - Clearing

This is the clearing account for sub-object 4210.

Character: Services and Supplies

Character No.: 687400-60

6102 Equipment Insurance

PCAS No. TBD

This item records equipment insurance.

6140 Maintenance - Equipment

PCAS No. Various

This item records parts and various supplies necessary to maintain and repair Agency equipment.

6523 District Operations

PCAS No. Various

This item is requested to provide funds to charge salary and benefits for staff.

6570 Consultant Services

PCAS No. TBD

This item is requested to provide funds for outside consultant services for Alternative Energy issues.

6610 Legal Services

PCAS No. Various

This request is for outside legal services.

6840 Rents/Leases - Bldgs/Impr

PCAS No. Various

This item is requested to provide funds for the rental on the land for the photovoltaic system.

7206 Equipment Usage Charge

PCAS No. Various

This item is requested to provide funds for equipment usage.

7394 Power

PCAS No. TBD

This item includes the costs to purchase power from PG&E and the Power Water Resources Pooling Authority (PWRPA).

Character Title: Other Charges

Character No.: 687400-75

7920 Interest

This account reflects the interest payments on the capital leases for the construction of photovoltaic facilities. The amount requested is based on the lease amortization schedules.

7930 Interest-L.T. Debt

This account reflects the interest payments on the advances from other Agency funds for the purchase of photovoltaic facilities. The amount requested is based on the amortization schedules prepared upon acquisition of assets.

7980 Depreciation

Generally Accepted Accounting Principles require that depreciation be expensed each year.

Character Title: Fixed Assets

Character No.: 687400-85

8510 Buildings/Improvements

This item is requested to provide appropriations for photovoltaic project at Geyersville (\$94,000).

Character Title: Administrative Control Account

Character No.: 687400-92

9200 ENT - Principal

This account reflects the principal payments due on the outstanding leases for the construction of photovoltaic facilities at 404 Aviation Blvd and the Airport-Larkfield-Wikiup treatment plant.

The following reflects the principal payment history to date:

Photovoltaic facility at 404 Aviation Blvd-payments began October 2005 and will continue semi-annually until April 2020.

Original Amount of the Loan:	\$2,000,000
Total FY 05-06 through FY 07-08 Principal Payments:	(426,373)
FY 08-09 Principal Payment:	(101,242)
Outstanding Loan Amount	<u>\$1,472,385</u>

Photovoltaic facility at Airport-Larkfield-Wikiup Treatment Plant - payments began April 2006 and will continue semi-annually until October 2020.

Original Amount of the Loan:	\$2,750,000
Total FY 05-06 through FY 07-08 Principal Payments:	(325,876)
FY 08-09 Principal Payment:	(152,129)
Outstanding Loan Amount	<u>\$2,271,995</u>

9209 ENT - Principal Clearing

This is the clearing account for sub-object 9200- Principal.

9210 Advances

This account reflects the principal payments due on the outstanding advances for the acquisition of power assets. Payments are based on the amortization schedules.

Photovoltaic facility at 404 Aviation Blvd - 3 years beginning in FY 07-08.

Original Amount of the Advance :	\$413,525
Total FY 07-08 Payment	(132,214)
Total FY 08-09 Payment:	<u>(137,764)</u>
Outstanding Loan Amount	\$143,547

Photovoltaic facility at Airport-Larkfield-Wikiup Treatment Plant - 3 years beginning FY 07-08

Original Amount of the Advance :	\$53,237
Total FY 07-08 Payment	(17,021)
Total FY 08-09 Payment:	<u>(17,736)</u>
Outstanding Loan Amount	\$18,480

Photovoltaic facility at Sonoma Valley Treatment Plant - 12 years beginning FY 07-08

Original Amount of the Advance :	\$5,442,922
Total FY 07-08 Payment	(358,144)
Total FY 08-09 Payment:	<u>(373,178)</u>
Outstanding Loan Amount	4,711,600

9219 Advances - Clearing

This is the clearing account for sub-object 9210 Advances

FY 2009-10 BUDGET
STATEMENT OF SPECIAL FUND ACTIVITY

Department: Sonoma County Water Agency - Internal Service Fund
Section: Power Resources Fund
Index No.: 687400

DESCRIPTION OF FUND ACTIVITY	Actual FY 07-08	Estimated FY 08-09	Requested FY 09-10
Undesignated/Unreserved <u>BEGINNING</u> Fund Balance			
Available for Budgeting (See Detailed Components Below)	\$ -	\$ 707,177	\$ (128,846)
Annual Revenues and Expenditures:			
Revenues - Increase fund balance	13,670,476	7,016,324	7,104,240
Expenditures - (Decrease) fund balance	(6,603,880)	(7,445,904)	(7,054,024)
Net Surplus or Deficit - Increase/(Decrease) to fund balance	7,066,596	(429,580)	50,216
Adjustments to Reserves/Encumbrances:			
Contribution of Fixed Assets	(6,156,642)	-	-
Reclass of Fixed Asset	(32,668)	-	-
Principal Payment - Photovoltaic Leases	(245,670)	(253,592)	-
Change in Capital Lease Payable	(253,372)	(10,923)	-
Change in Advances Payable	(528,678)	(22,202)	-
Depreciation	408,206	409,043	409,100
Post Audit Adjustment - Prepaid Expense	(43,216)	-	-
4210 Advances (From the SCWA General Fund)	1,000,000	-	1,000,000
9200 Principal (Payment 404, ALW)	-	-	(264,295)
9210 Advances (Payment SVCSD, ALW, ISF)	(507,378)	(\$528,769)	(550,880)
Net Adjustment - Increase/(Decrease) to Fund Balance	\$ (6,359,418)	\$ (406,443)	\$ 593,925
Undesignated/Unreserved <u>ENDING</u> Fund Balance			
Available for Budgeting	\$707,177	(\$128,846)	\$515,295
Total Increase/(Decrease) in Fund Balance for Fiscal Year <i>(Difference between Beginning and Ending Balance)</i>	\$707,177	(\$836,023)	\$644,141

Fund Balance Components at Beginning of FY

	7/1/07	7/1/08
Cash	\$ -	\$ 1,133,902
Pre-Paid Expense	-	438,295
Accounts Payable	-	(40,387)
Interest Payable	-	(42,582)
Capital Lease Payable	-	(253,372)
Advance Payable	-	(528,678)
Total Beginning Fund Balance	\$ -	\$ 707,177